



Department of Health and Human Services
Administration for Children and Families
Office of Child Support Enforcement

FY2009 REIMBURSEMENT AGREEMENT

PROVIDING AGENCY: Office of Child Support Enforcement (OCSE)

Program Contact: Linda Deimeke, Director, Division of Federal Systems
Telephone: (202) 401-5439 **Fax:** (202) 401-5558
E-Mail: linda.deimeke@acf.hhs.gov

REQUESTING AGENCY: The State Agency administering the Supplemental Nutrition Assistance Program (SNAP) in Maine

Program Contact: Karen L. Curtis, Program Manager
Delivery Address: Edison Data Operations Center
26 Edison Drive, SHS #11
Augusta, ME 04330
Telephone: (207) 287-7118 **Fax:** (207) 287-3455
E-Mail: Karen.L.Curtis@maine.gov

RELEVANT LEGAL AUTHORITY:

- Section 453(j)(10) of the Social Security Act provides the legal authority for the disclosure of information for the purposes of the data match. 42 U.S.C. §653(j)(10).
- Section 453(k)(3) of the Social Security Act provides that a State or Federal agency that receives information from OCSE pursuant to section 453 of the Social Security Act shall reimburse OCSE for the costs incurred in furnishing the information, at rates which OCSE determines to be reasonable. 42 U.S.C. §653(k)(3).

PERIOD OF PERFORMANCE: Upon signature through September 30, 2009

DESCRIPTION OF SERVICES, REIMBURSEMENT TERMS and PAYMENT METHOD:

Datasets Accessed and Frequency of Comparisons: W-4 – up to 3 matches (1 per month)
QW – up to 1 match (1 per quarter)
UI – up to 1 match (1 per quarter)

Total Cost:	\$28,020
New User Start-Up Fee:	\$1,906
W-4:	\$11,067
QW:	\$13,172
UI:	\$1,874

Reimbursement Schedule: Upon execution of the agreement, OCSE will invoice the Maine SNAP Agency for the costs of matching to the above mentioned datasets. For the Maine SNAP Agency, this cost is \$28,020. All necessary agreements must be signed and returned to OCSE before matching can begin. Payments for matches conducted in FY2009 must be received by July 15, 2009.

Payment Method: Credit card and Automated Clearing House (ACH) are the preferred payment methods, although payment can be made by check. The Maine SNAP Agency shall indicate below its intended payment method. OCSE's invoice will contain detailed instructions on payment methods.

(Select one): **Credit card**

ACH

Check *DC 7.27.09*



**Department of Health and Human Services
Administration for Children and Families
Office of Child Support Enforcement**

PERFORMANCE MEASUREMENT:

In accordance with section XIV of the Computer Matching Agreement (CMA) signed by both OCSE and the Maine SNAP Agency, on an annual basis OCSE must receive a written summary of the performance outputs and outcomes attributable to the State Agency's use of NDNH comparison results for the purposes set forth in the CMA. These results should include any cost savings or cost avoidance realized by the SNAP Agency as a result of these matches, and any other information that the SNAP agency can provide to support OCSE's performance measurement reporting requirements

OCSE FINANCIAL INFORMATION:

Contact: Yvette Morris, Director
E-Mail: yvette.morris@acf.hhs.gov

Telephone: (202) 401-5305
Fax: (202) 401-5494

Appropriation Number: 75X1553
Common Accounting Number: G9909FR
EIN: 26-1854443
Agency Location Code (ALC): 75-03-0030

Agreement Number: ACF-FY09SNAP-
Object Class Code: 25308
DUNS Number: 927645705
Capital Asset Indicator: No

ME

OC
7.27.09

Maine SNAP Agency FINANCIAL INFORMATION:

Contact: Sarah Gove, Program Fiscal Coordinator
E-Mail: sarah.gove@maine.gov
Address: Maine Department of Health and Human Services
442 Civic Center Drive, SHS #11
Augusta, ME 04333
EIN: 01-6000001

Telephone: (207) 287-9356
Fax: (207) 287-3455



Department of Health and Human Services
Administration for Children and Families
Office of Child Support Enforcement

SIGNATURES OF AUTHORIZED OFFICIALS

OFFICE OF CHILD SUPPORT ENFORCEMENT:

Vicki Turetsky

Vicki Turetsky
Commissioner

Date: 8/4/09

Yvette Morris

Yvette Morris
Director, Division of Management Services

Date: 8/3/09

Maine SNAP Agency:

Barbara VanBurgel

Barbara VanBurgel
Director of Office of Integrated Access and Support

Date: 7/16/09

BARBARA J. VANBURGEL

(Name)
(Title)

Date: 7/16/09

Betty M. Lamoreau

AUG 20 2009

UNENCUMBERED

AUG 20 2009

NO FUNDS RESERVED
FOR THIS CONTRACT

2009 AUG 14 A @ 36
STATE OF MAINE
DIVISION OF PURCHASE



STATE OF MAINE
STANDARD AGREEMENT COVER PAGE
DEPARTMENT OF HEALTH AND HUMAN SERVICES

DHHS Agreement#: IAS-10-033

Un Encumbered #: CT 10A 20090813000000001139

Community Agency Name: DHHS for Administration of Children & Families

Address: 901D Street, SW 4th Floor East Washington DC 20447

Program Name: _____ Service

Geographic Area Served: _____

DHHS District # _____ DHHS Region # 4 Employer ID#: VC0000141652

Agency Fiscal Year: _____

FOR DEPARTMENT USE ONLY

Agreement Period

Type of Agreement

Effective Date: June 1, 2009

☒ Contract-State Services ☐ New

Termination Date: September 30, 2010

☐ Grant- Client Services ☐ Renewal

Amended Effective Date: _____

☐ Amendment

Amended Termination Date: _____

☐ Budget Revision

CFDA #	ACCOUNT #	FY 2010 Encumbrance	FY 2011 Encumbrance	Agreement Total
1. 10.561	020-10A-4804-01-4983	\$30,000		\$30,000
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
TOTALS		\$ 30,000		\$30,000

Agreement Routing: Agreement Administrator Stacy McCurdy

Purchased Service Manager JOHN COSTELLO

COMPUTER MATCHING AGREEMENT

BETWEEN

**THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF CHILD SUPPORT ENFORCEMENT**

AND

**STATE AGENCY ADMINISTERING THE SUPPLEMENTAL NUTRITION
ASSISTANCE PROGRAM**

**"Information Comparisons and Disclosure to Assist in Administering the Supplemental Nutrition
Assistance Program"**

HHS #0901

I. PURPOSE, LEGAL AUTHORITY, AND DEFINITIONS

A. Background

1. Introduction

The purpose of this Computer Matching Agreement is to set forth the understanding and agreement between the *Federal Office of Child Support Enforcement* (OCSE) and the *State Agency administering the Supplemental Nutrition Assistance Program* (State Agency). The purpose of the matching program is to provide new hire, quarterly wage (QW) and unemployment insurance (UI) information from OCSE's National Directory of New Hires (NDNH) to the State Agency for the purpose of determining the eligibility of Supplemental Nutrition Assistance applicants and recipients.

The computer matching program constitutes a "matching program" as defined by the Federal Privacy Act of 1974, as amended (see Section C., Definitions, below) because it is a "computerized comparison of . . . a system of records with non-Federal records for the purpose of establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, . . . with respect to, . . . payments under Federal benefit programs, . . ." 5 U.S.C. §552a(a)(8)(A).

The NDNH is a component of OCSE's system of records, "Location and Collection System." See Section III.A., below. The Privacy Act provides that no record which is contained in a system of records may be disclosed to a recipient agency or non-Federal agency for use in a computer matching program except pursuant to a

written agreement between the source agency and the recipient agency or non-Federal agency specifying certain terms and conditions set forth in 5 U.S.C. §552a (o). This agreement complies with the requirements of the Privacy Act governing such matching programs.

5 U.S.C. §552a(o)(1). The agreement specifies the terms and conditions required by section (o) of the Privacy Act, the Social Security Act, pursuant to which the matching program is authorized, and other Federal requirements governing the disclosure of personally identifiable information.

For purposes of this matching program, OCSE is the "recipient agency" receiving records from the State Agency and conducting the comparison and the State Agency is the "source agency" disclosing records to be used in the matching program as defined in the Privacy Act in 5 U.S.C. §552a (9) and (11).

The parties to this matching agreement are OCSE and the State Agency administering the Supplemental Nutrition Assistance Program, as that program is named by the State, and as identified in Section XV., below. This agreement is a standard agreement, the terms of which are identical to matching agreements between OCSE and other SNAP State Agencies.

B. Purpose and Legal Authority for Conducting the Matching Program

The Privacy Act requires that each matching agreement specify the purpose and legal authority for conducting the program. 5 U.S.C. §552a (o)(1)(A).

1. Purpose for Conducting the Matching Program

In accordance with the statute authorizing this matching program, the purpose of this matching program is to assist the State Agency in its administration of the Supplemental Nutrition Assistance Program. 42 U.S.C. §653(j)(10).

This matching program provides the State Agency with information resulting from a comparison of its files on adult members of households that receive or have applied for Supplemental Nutrition Assistance Program benefits against information contained in the NDNH so that the State Agency may verify information needed to determine the eligibility of households receiving Supplemental Nutrition Assistance Program benefits residing in the State. The comparison is expected to assist State Agency in reducing Supplemental Nutrition Assistance Program payment errors and maintaining program integrity, including determining whether duplicate participation exists or if the client resides in another State.

The State Agency may also use the NDNH information for the purpose of updating the recipients' reported participation in work activities and updating recipients' and their employers' contact information maintained by the State Agency.

2. Legal Authority for Conducting the Matching Program

The Social Security Act (the Act), section 453(j)(10) provides the legal authority for the operation of the matching program as follows:

“Information comparisons and disclosure to assist in administration of supplemental nutrition assistance programs.—

(A) In general.—If, for purposes of administering a supplemental nutrition assistance program under the Food and Nutrition Act of 2008, a State agency responsible for the administration of the program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to the State agency information on the individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

(B) Condition on disclosure by the secretary.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

(C) Use and disclosure of information by State agencies.—

(i) In general.—A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

(ii) Information security.—The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

(iii) Penalty for misuse of information.—An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (l)(2) to the same extent as if the officer or employee were an officer or employee of the United States.

(D) Procedural requirements.—State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

(E) Reimbursement of costs.—The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.”

C. Definitions

The terms contained in this agreement shall have the meaning given such terms in subsection (a) of the Federal Privacy Act (5 U.S.C. §552a(a)):

- (3) "maintain" includes maintain, collect, use or disseminate;
- (4) "record" means any item, collection, or grouping of information about an individual that is maintained by an agency, including, but not limited to, his education, financial transactions, medical history, and criminal or employment history and that contains his name, or the identifying number, symbol, or other identifying particular assigned to the individual, such as a finger or voice print or a photograph;
- (5) "system of records" means a group of any records under the control of any agency from which information is retrieved by the name of the individual or by some identifying number, symbol, or other identifying particular assigned to the individual;

- (7) "routine use" means, with respect to the disclosure of a record, the use of such record for a purpose which is compatible with the purpose for which it was collected;
- (8) "matching program"--
 - (A) means any computerized comparison of--
 - (i) two or more automated systems of records or a system of records with non-Federal records for the purpose of--
 - (I) establishing or verifying the eligibility of, or continuing compliance with statutory and regulatory requirements by, applicants for, recipients or beneficiaries of, participants in, or providers of services with respect to, cash or in-kind assistance or payments under Federal benefit programs,
 - (II) recouping payments or delinquent debts under such Federal benefit programs, . . .

- (9) "recipient agency" means any agency, or contractor thereof, receiving records contained in a system of records from a source agency for use in a matching program;
- (10) "non-Federal agency" means any State or local government, or agency thereof, which receives records contained in a system of records from a source agency for use in a matching program;
- (11) "source agency" means any agency which discloses records contained in a system of records to be used in a matching program, or any State or local government, or agency thereof, which discloses records to be used in a

- matching program;
- (12) "Federal benefit program" means any program administered or funded by the Federal Government, or by any agent or State on behalf of the Federal Government, providing cash or in-kind assistance in the form of payments, grants, loans, or loan guarantees to individuals.

II. JUSTIFICATION AND EXPECTED RESULTS

The Privacy Act requires that each matching agreement specify the justification for the program and anticipated results, including a specific estimate of any savings. 5 U.S.C. §552a(o)(1)(B).

A. Justification for the Matching Program

The parties have determined that the matching program is justified for the following reasons.

First, identifying employed adult members of households that receive or have applied for Supplemental Nutrition Assistance Program benefits allows the State Agency to provide proper case management and work supports to stabilize employment, increase earnings, reduce dependency on public assistance, and lead to self-sufficiency.

Second, the matching program will improve program integrity by strengthening the State Agency's oversight and management of the program. The program will provide useful information on the employment and earnings of adult members of households that receive or have applied for Supplemental Nutrition Assistance Program benefits. In particular, the program provides employment information reported by the Federal government or private employers reporting to the States. Unemployment information from State Workforce Agencies is also available. The employment and unemployment information contains information from all States, Territories, and Federal agencies and is not readily available through the State Directory of New Hires, State Workforce Agency, or other data reporting systems. The comparison and disclosure may also assist State Agency in determining whether duplicate participation exists or if the client resides in another State.

Third, the matching program will serve as a deterrent to some individuals who otherwise may fraudulently apply for and receive Supplemental Nutrition Assistance Program benefits.

Fourth, the matching program will uncover unreported earnings which will lead to a reduction in erroneous payments in the Supplemental Nutrition Assistance Program and other programs and thereby support a key initiative of the President's Management Agenda.

B. Expected Results

1. Quantifiable Results

The Budget Report for H.R. 5865 [109th]: Returned Americans Protection Act of 2006 contains a Cost Estimate prepared by The Congressional Budget Office (CBO) on August 4, 2006.

“About half of the states already have agreements to access other states’ directories of new hires. CBO assumes that one-half of the states that do not currently have agreements will opt to use the NDNH. Based on information about the share of people who work in states other than the one in which they reside and average food stamp overpayments, CBO estimates net savings of \$1 million per year, beginning in 2008, rising to \$2 million per year by 2015. We expect that there will not be any savings until 2008 because states will need time to enter into agreements to access the NDNH data.”

The parties acknowledge that the Cost Estimate was prepared in 2006. Net cost savings will be influenced by the number of State Agencies participating and the date the comparisons begin.

2. Non-Quantifiable Results

State Agency stands to benefit from participation in the NDNH comparison and disclosure because of the potential for greater accuracy in client information. Through use of the NDNH, State Agency will be able to verify the income of people who work in other States or who work for a multistate employer that reports new hire information to only one State. This additional information will allow State Agency to determine the correct level of benefit and reduce overpayments, thereby improving payment accuracy and program administration.

III. RECORDS DESCRIPTION

The Privacy Act requires that each matching agreement specify a description of the records that will be matched, including each data element that will be used, the approximate number of records that will be matched, and the projected starting and completion dates of the matching program. 5 U.S.C. 552a(o)(1)(C).

A. System of Records

The “Location and Collection System” (LCS), maintained by OCSE, is a system of records, No. 09-90-0074, last published on September 7, 2007 at 72 FR 51446. The NDNH is part of the LCS. “Routine Use” (11) authorizes disclosure “to the State agency administering the Medicaid, Unemployment Compensation, Food Stamp, SSI and

territorial cash assistance programs new hire information for income eligibility verification" p. 51447.

The State Agency records contain information collected by the State Agency in the administration of the Supplemental Nutrition Assistance Program, including specifically the names and Social Security numbers (SSN) of members of households that receive or have applied for Supplemental Nutrition Assistance Program benefits. The State Agency adheres "...to standardized formats and procedures established by the Secretary of Health and Human Services (in consultation with the Secretary of Agriculture)." 42 U.S.C. §1320b-7(a)(4). Federal law authorizes the State Agencies to require SSNs as a condition of eligibility for Supplemental Nutrition Assistance Program benefits. 42 U.S.C. §§1320b-7(a)(1) and (b)(4).

B. Number of Records Involved

1. NDNH

The NDNH contains approximately 1.40 billion new hire, QW and UI records, which represents the most recent 24 months of data.

2. State Agency records

The combined monthly caseload of all State Supplemental Nutrition Assistance Programs is approximately 13 million adult members of households receiving Supplemental Nutrition Assistance Program benefits. The State Agency's input file contains the number of records noted in Section XVI.D (below).

C. Specified Data Elements Used in the Matching Program

1. Data Elements Used to Conduct the Comparison

- a) Name
- b) SSN

2. Name/SSN Verification

As part of this matching program, the State Agency will independently verify name/SSN combinations prior to submitting to OCSE for matching. If the State Agency does not independently verify name/SSN combinations, it shall request verification on the input file. OCSE will then submit the name/SSN combinations supplied by the State Agency for verification to SSA in an effort to ensure that the NDNH information requested pertains to the appropriate individual.

3. Data Elements Contained in the Input File Transmitted by the State Agency to OCSE

The State Agency shall transmit to OCSE via CyberFusion Integration Suite (CFI) or other mutually approved and secure data transfer method, an input file including the following data elements:

- a) Submitting State Code (2-digit FIPS code);
- b) Date Stamp (input file transmission date);
- c) Adult Member of household receiving Supplemental Nutrition Assistance Program benefits' SSN;
- d) Adult Member of household receiving Supplemental Nutrition Assistance Program benefits' First, Middle*, and Last Name;
- e) In-State Inclusion Request* (indicates whether State Agency requests new hire, QW, or UI information even if the NDNH information was provided by that same State); and
- f) State Passback* (State Agency information used to identify individuals within the input file and to be returned on the output file).

* Indicates optional data elements.

4. Data Elements Provided from NDNH

OCSE shall conduct a comparison between the SSNs in the State Agency input file to records maintained in the NDNH to obtain the following data elements from the NDNH QW, new hire, and UI files:

- a) **Quarterly Wage File**
 - 1) Employee SSN;
 - 2) Employer Name;
 - 3) Employer Address; and
 - 4) Wage Amount.
- b) **New Hire File**
 - 1) Employee SSN;
 - 2) Employee Last Name;
 - 3) Employee First Name;
 - 4) Employee Address;
 - 5) Employer Name; and
 - 6) Employer Address.
- c) **Unemployment Insurance File**
 - 1) Claimant Last Name;
 - 2) Claimant First Name;
 - 3) Claimant SSN;

- 4) Claimant Address; and
- 5) Date Unemployment Insurance record processed by OCSE.

5. Data Elements Contained in the Output File Transmitted by OCSE to the State Agency

The output file will contain the names and SSNs on the State Agency input file, and the NDNH data elements associated with those names and SSNs. See definitions in Section III.C.3 above.

- a) Name;
- b) SSN;
- c) Submitting State Code;
- d) Date Stamp;
- e) Adult member of household receiving Supplemental Nutrition Assistance Program benefits' SSN;
- f) Adult member of household receiving Supplemental Nutrition Assistance Program benefits' First, Middle*, and Last Name;
- g) In-State Inclusion Request*; and
- h) State Passback*.

* Indicates optional data elements.

6. Transmittal of Output File from OCSE to the State Agency

OCSE shall electronically transmit the results of the comparison to the State Agency via CFI or other mutually approved and secure data transfer method.

D. Frequency of Comparisons

On a monthly basis, the State Agency is authorized to submit its file for comparison against the new hire file. On a quarterly basis, the State Agency is authorized to submit its file for comparison against the QW and UI files.

E. Projected Start and Completion Dates

Comparison and disclosure may commence when the appropriate officials within the State Agency sign the agreement and will continue until the expiration date of this agreement. See Section XIII (below).

IV. NOTICE PROCEDURES

The Privacy Act requires, in pertinent part, that the matching agreement specify procedures for providing individualized notice at the time of application, and periodically thereafter as directed by the U.S. Department of Health and Human Services (HHS) Data Integrity Board (DIB), to

applicants for and recipients of financial assistance or payments under Federal benefit programs that any information they provide may be verified through matching programs. 5 U.S.C. §552a(o)(1)(D).

The Social Security Act requires States' income and eligibility verification systems to provide notice as follows:

SEC. 1137(a) In order to meet the requirements of this section, a State must have in effect an income and eligibility verification system . . . under which— (6) all applicants for and recipients of benefits under any such program shall be notified at the time of application, and periodically thereafter, that information available through the system will be requested and utilized;" 42 U.S.C. §1320b-7.

Pursuant to this requirement and as set out in section V.A. below, the State Agency has implemented procedures for providing individualized notice to applicants for, and recipients of, Supplemental Nutrition Assistance Program benefits at the time of application and periodically thereafter, that the information they provide may be verified through matching programs. Such procedures will be in accordance with guidance by the U.S. Department of HHS DIB, subject to guidance by the Federal Office of Management and Budget (OMB). 5 U.S.C. §552a(o)(1)(D).

V. VERIFICATION PROCEDURES AND OPPORTUNITY TO CONTEST FINDINGS

The Privacy Act requires that each matching agreement specify procedures for verifying information produced in the matching program as required by subsection (p). 5 U.S.C. §552a(o)(1)(E). Subsection (p) requires agencies to independently verify the information produced by a matching program and to provide the individual an opportunity to contest the agency's findings before an adverse action is taken against the individual as a result of the information. Also see OMB "Final Guidance Interpreting the Provisions of Public Law 100-503, the Computer Matching and Privacy Protection Act", Sec. 6.g. Providing Due Process to Matching Subjects.

A. Verification Procedures

The Privacy Act requires that each matching agreement specify procedures for verifying information produced in the matching program and an opportunity to contest findings. 5 U.S.C. §552a(o)(1)(E) and (p).

The State Agency recognizes that NDNH information is not conclusive evidence of the address, employer, or wages of an identified individual and requires further verification.

In accordance with section 552a(p)(1) of the Privacy Act, to protect any individual whose records are used in this matching program, the State Agency shall not suspend, terminate, reduce, or make a final denial of any financial assistance or payment to such individual participating in the Supplemental Nutrition Assistance Program, or take other adverse action against such individual, as a result of information produced by such matching

program, until the requirements in subsection (p) for independent verification and an opportunity to be heard are met. The State Agency must follow the provisions set forth in the Food and Nutrition Act, as amended, and the provisions of 7 CFR, including, but not limited to, verification procedures set forth in 7 CFR 273.2(f) and 273.12(c) and notice and opportunity to contest set forth in 7 CFR 273.12, 273.13, and 273.15. These provisions correspond with the following Privacy Act requirements:

1. The State Agency has independently verified the information produced in the matching program;
2. The State Agency provides to the individual a notice containing a statement of its findings and informing the individual of the opportunity to contest such findings; and
3. The time period established for the Supplemental Nutrition Assistance Program by statute or regulation within which the individual may respond to that expired notice.

B. Requirements for Independent Verification

The independent verification by the State Agency of information produced by the matching program requires investigation and confirmation of specific information relating to an individual that is used as a basis for an adverse action against the individual, in accordance with the Privacy Act. 5 U.S.C. §552a(p).

Where applicable, independent verification includes investigation and confirmation of:

1. the amount of any asset or income involved;
2. whether such individual actually has or had access to such asset or income for the individual's own use; and
3. the period or periods when the individual actually had such asset or income.

VI. DISPOSITION OF INFORMATION COMPARED

The Privacy Act requires that each matching agreement specify procedures for the retention and timely destruction of identifiable records created by a recipient agency or non-Federal agency in such matching program. 5 U.S.C. §552a(o)(1)(F).

A. Input File Provided by the State Agency to OCSE

OCSE will retain the input file provided by the State Agency only for the period of time required for any processing related to the matching program, and will then destroy the file.

B. Output File Provided to the State Agency by OCSE

OCSE will retain a copy of the output file provided to the State Agency only for the period of time required to ensure transmission to the State Agency and will then destroy the file.

The State Agency will take the following measures for the retention and timely destruction of identifiable records created by OCSE in this matching program.

The State Agency shall destroy NDNH comparison results in accordance with the Security Addendum herein when the information is no longer required for the purpose authorized by this matching agreement, but in no case later than two years after the date the State Agency receives the comparison results.

VII. SECURITY PROCEDURES

The Privacy Act requires that each matching agreement specify procedures for ensuring the administrative, technical, and physical security of the records matched and the results of such programs. 5 U.S.C. §552a(o)(1)(G).

These procedures are specified in the Security Addendum to this matching agreement, and shall be taken and considered as part of this agreement as if it were fully set out herein.

VIII. BREACH REPORTING AND NOTIFICATION RESPONSIBILITY

If NDNH information in the custody of the State Agency is breached (or suspected to be breached), the State Agency is responsible for reporting the breach or suspected breach to an OCSE security contact within one hour of the breach (or suspected breach) and for complying with any and all State Agency reporting and notification requirements and conducting all activities pertaining to such reporting and notification, including but not limited to: investigating the incident, communicating with required State government breach response officials, notifying individuals whose information is breached, notifying any third parties including the media, notifying any other public and private sector agencies involved, responding to inquiries about the breach, responding to Congressional inquiries, resolving all issues surrounding the information breach, performing any follow-up activities, correcting the vulnerability that allowed the breach, and any other activity as required by OMB pursuant to OMB M 07-16, "Safeguarding Against and Responding to the Breach of Personally Identifiable Information", issued May 22, 2007 and other Federal law and guidance.

IX. RECORDS USAGE, DUPLICATION AND REDISCLOSURE RESTRICTIONS

The Privacy Act requires that each matching agreement specify prohibitions on duplication and redisclosure of records provided by the source agency within or outside the recipient agency or the non-Federal agency, except where provided by law or essential to the conduct of the matching program. 5 U.S.C. §552a(o)(1)(H). The agreement must also specify procedures governing the use of a recipient agency or a non-Federal agency of records provided in a matching program by a source agency, including procedures governing the return of the records to the source agency or destruction of records used in such program.

5 U.S.C. §552a(o)(1)(I).

A. Input File Provided by the State Agency to OCSE

Records provided to OCSE by the State Agency shall not be duplicated or redisclosed within or outside OCSE.

B. Output File Provided to the State Agency by OCSE

The comparison results provided to the State Agency by OCSE shall be used by the State Agency solely for the purposes authorized pursuant to this agreement, in accordance with the terms and conditions specified in the agreement, including its Security Addendum. The State Agency may not disclose or duplicate comparison results.

X. RECORDS ACCURACY ASSESSMENTS

The Privacy Act requires that each matching agreement specify information on assessments that have been made on the accuracy of records that will be used in the matching program.

5 U.S.C. §552a(o)(1)(J).

A. NDNH Records

The information contained in the NDNH is reported to OCSE by State and Federal agencies. The Social Security Administration (SSA) verifies the accuracy of name/SSN information transmitted to SSA by OCSE. 42 U.S.C. §653(j)(1)(A).

Ninety-two percent of the employee name/SSN combinations on new hire information and 98 percent of the claimant name/SSN combinations on UI information have corresponding name/SSN combinations within SSA databases. Sixty-six percent of the employee name/SSN combinations on QW information have corresponding name/SSN combinations within SSA databases. Twenty-nine percent of QW records have SSN information, but no name is associated with the SSN, which is in part attributable to the fact that some State Workforce Agencies do not collect name information. Because SSA verification processes require a name/SSN combination, these records are considered valid but non-verifiable. Even though they are not verified by the SSA, information comparisons may be conducted and reliable results obtained.

B. State Agency Records

Based on internal consistency checks and SSN verification procedures, it is estimated that approximately 94 percent of the name/SSN combinations maintained on the State Agencies' automated databases are accurate.

XI. COMPTROLLER GENERAL ACCESS

The Privacy Act requires that each matching agreement specify that the Comptroller General of the United States may have access to all records of a recipient agency or a non-Federal agency that the Comptroller General deems necessary in order to monitor or verify compliance with this agreement. 5 U.S.C. §552a(o)(1)(K).

OCSE and the State Agency must permit the Comptroller General to have access to all records described above for the purpose of monitoring or verifying compliance with this agreement.

XII. REIMBURSEMENT

The Social Security Act provides that a State or Federal agency that receives information from the Secretary of Health and Human Services pursuant to sections 453(k)(3) and (j)(10)(E) of the Act shall reimburse the Secretary for costs incurred by the Secretary in furnishing the information, at rates which the Secretary determines to be reasonable, which shall include the costs of obtaining, verifying, maintaining, and comparing the information.

OCSE has established a full-cost reimbursement methodology for calculating user fees for each State or Federal agency receiving information from the NDNH. Reimbursement will be transacted by means of a separate reimbursement agreement between the State Agency and OCSE for each fiscal year of the matching program and in accordance with the established procedures that apply to reimbursements.

The agreement will include applicable, allowable costs that shall include direct and indirect costs (costs to maintain and produce the information) and user specific costs, in accordance with the methodology employed by OCSE.

XIII. DURATION OF AGREEMENT

The Privacy Act requires that a copy of each agreement shall be transmitted to the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Government Reform of the House of Representatives and be available upon request to the public, in order to permit an evaluation of the probable or potential effect of such proposal on the privacy or other rights of individuals. 5 U.S.C. §552a(r) and 5 U.S.C. §552a(o)(2)(A). The OMB Circular No. A-130, Appendix I, 4.(d) requires agencies to provide a Report of Matching Program, including the agreement, to the Congressional committees and to OMB.

The State Agency and OCSE agree that a copy of this computer matching agreement shall be transmitted by OCSE to the OMB, the Senate Committee on Homeland Security and Governmental Affairs, the House Committee on Government Operations and available upon request to the public.

A. Effective Date of Matching Agreement

The effective date for this matching agreement is the later of the following:

- 40 days after the date OCSE provides the Report of a Matching Program to the Congressional committees of jurisdiction under 5 U.S.C. §552a(o)(2)(A) and to OMB; or
- 30 days after the date the Notice of Matching Program is published in the Federal Register.

B. Duration of Matching Agreement

The agreement shall remain in effect for a period not to exceed 18 months, subject to renewal for a period of up to one year. See Section XIII.E. (below).

C. Commencement of Comparisons and Disclosures

Comparisons and disclosures may commence upon the signature of the State Agency and will continue until the expiration date of this agreement.

D. Termination or Modification of Matching Agreement

OCSE or the State Agency may terminate the matching program upon notification to the other of its intention to terminate the matching program at least 90 days before the end of the then-current period of the agreement.

Termination may occur without prior notice if OCSE determines that NDNH information security is at risk. A copy of any notification of termination will be submitted to the State Agency and HHS Data Integrity Board.

This agreement may be modified at any time by a written amendment to the agreement, which is approved by the State Agency, OCSE and the HHS DIB.

E. Renewal of Matching Agreement

The agreement shall remain in effect for a period not to exceed 18 months. However, the HHS Data Integrity Board may, within three months prior to the expiration of this agreement, without additional review, renew this agreement for not more than one additional year if --

1. the matching program will be conducted without any change; and
2. the State Agency and OCSE certify to the HHS Data Integrity Board in writing that the program has been conducted in compliance with the agreement. 5 USC §552a (o)(2)(D).

XIV. PERIODIC REPORTING OF PERFORMANCE OUTCOMES

The Federal Office of Management and Budget requires OCSE to periodically report measures of the performance of the Federal Parent Locator Service (FPLS), including the NDNH, through various Federal management devices, such as the Program Assessment Rating Tool, Quarterly Management Scorecard, and the Exhibit 300. OCSE is required to provide performance measures demonstrating how the system supports OCSE's strategic mission, goals and objectives, as well as the President's Management Agenda and cross-agency collaboration.

To assist OCSE in its compliance with Federal reporting requirements, the State Agency must report performance outputs and outcomes attributable to the State Agency's use of NDNH comparison results. The State Agency must provide such reports to OCSE in a format agreed upon by participating State Agencies, with the approval of OCSE. Information required from the State Agency may include:

1. the number of individuals verified as employed,
2. the number of Supplemental Nutrition Assistance Program cases closed due to income,
3. the number of Supplemental Nutrition Assistance Program cases in which benefits are reduced, and must include
4. the total of first-month avoided Supplemental Nutrition Assistance Program costs.

State Agency will provide the reports to OCSE on an annual basis.

The reports are also intended to assist in the development of a cost-benefit analysis of the matching program required for any subsequent matching agreements in accordance with 5 U.S.C. §552a(o)(1)(B).

XV. CONTACT PERSONS

The HHS/ACF/OCSE contact is:

Ms. Linda Boyer, Data Access and Security Manager
Division of Federal Systems
Office of Automation and Program Operations
Office of Child Support Enforcement
Administration for Children and Families
370 L'Enfant Promenade SW, 4th floor
Washington, DC 20447
Telephone: (202) 401-5410
Fax: (202) 401-5558
E-mail: linda.boyer@acf.hhs.gov

The Maine contact for systems issues is:

John DeWitt
Office of Integrated Access and Support
Maine Department of Health and Human Services
442 Civic Center Drive
State House Station #11
Augusta, ME 04330
Telephone: (207) 287-9372
Fax: (207) 287-3455
E-mail: john.d.dewitt@maine.gov

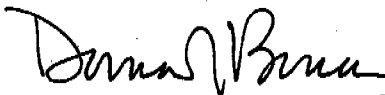
The Maine contact for program issues is:

Karen L. Curtis
Office of Integrated Access and Support
442 Civic Center Drive
State House Station #11
Augusta, ME 04333
Telephone: (207) 287-7118
Fax: (207) 287-3455
E-mail: Karen.L.Curtis@maine.gov

XVI. APPROVALS

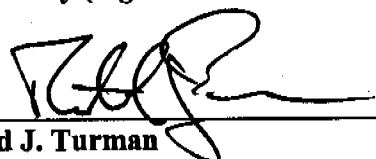
The authorized program officials, whose signatures appear below, accept and expressly agree to the terms and conditions expressed herein, confirm that no verbal agreements of any kind shall be binding or recognized, and hereby commit their respective organizations to the terms of this agreement.

A. HHS Program Official

Approved by (Signature of Authorized HHS/ACF/OCSE Official)	
	
Donna J. Bonar Acting Commissioner, OCSE	Date 3/16/09

B. HHS Data Integrity Board

The HHS Data Integrity Board having reviewed this agreement and finding that it complies with applicable statutory and regulatory guidelines signify its approval thereof by the signature of the official appearing below.

Approved by (Signature of Authorized HHS Official)	
	
Richard J. Turman Acting Chairperson, HHS Data Integrity Board	Date 5/26/09

SECURITY ADDENDUM

TO

THE COMPUTER MATCHING AGREEMENT

BETWEEN

**THE U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES
OFFICE OF CHILD SUPPORT ENFORCEMENT**

AND

**STATE AGENCY ADMINISTERING THE SUPPLEMENTAL NUTRITION
ASSISTANCE PROGRAM**

I. BACKGROUND

The Social Security Act (the Act) provides in section 453(j)(10) that to the extent and with the frequency that the Secretary of the Department of Health and Human Services (HHS) determines to be effective in assisting State Agency administering Supplemental Nutrition Assistance Programs (State Agency) to carry out their responsibilities, the Secretary may disclose information maintained in the National Directory of New Hires (NDNH). The NDNH is a component of the FPLS which is maintained under the direction of the Federal Office of Child Support Enforcement (OCSE). 42 U.S.C. §653(i)(1); 42 U.S.C. § 653(a)(1).

The comparison of records authorized by the Act constitutes a "matching program" within the meaning of the Federal Privacy Act. 5 U.S.C. §552a(a)(8)(i). Federal law provides that no record contained in a system of records may be disclosed to a recipient agency or non-Federal agency for use in a computer matching program except pursuant to a written agreement including specified information. 5 U.S.C. §552a(o)(1).

The computer matching agreement, of which this addendum is a part, shall specify procedures for ensuring the administrative, technical and physical security of the records compared and the results of the matching program. 5 U.S.C. §552a(o)(1)(G).

II. PURPOSE AND EFFECT OF THIS SECURITY ADDENDUM

OCSE is required by law to protect personal information from unauthorized use or disclosure. Title IV, Part D, of the Social Security Act, the Federal Privacy Act, other Federal laws and guidelines issued by the Federal Office of Management and Budget (OMB) require OCSE to safeguard information. The State Agency shall safeguard NDNH information to facilitate OCSE's compliance with these provisions.

The purpose of this addendum is to specify the procedures for ensuring the administrative, technical and physical security of the records compared and the results of the matching program.

By signing this addendum, the State Agency shall comply with the security requirements established by HHS and OCSE.

III. SECURITY REQUIREMENTS

The State Agency shall comply with the *Department of Health and Human Services (HHS) Information Security Policy* and the *Security Requirements for State Agencies Receiving Federal Parent Locator Service (FPLS) Information* dated October 2008, from which the following requirements are drawn. The State Agency was provided a copy of both documents on October 10, 2008. Additional copies are available upon request.

This Security Addendum may be updated to address changes in processes or technologies, as well as new or revised Federal security requirements and guidelines. In such instances, OCSE shall provide the State Agency with written notification of such change and require written assurance by the State Agency that it will comply with new or revised security requirements.

The security requirements are presented in three categories: administrative, technical, and physical.

The State Agency shall submit annually to OCSE a written confirmation of compliance with the security requirements in this addendum.

A. Administrative Security Requirements

1. The State Agency shall ensure that access to and disclosure of the NDNH information are restricted to authorized personnel who need the NDNH information to perform their official duties as authorized by the matching agreement.
2. The State Agency shall establish and/or maintain ongoing management oversight and quality assurance capabilities to ensure that only authorized personnel have access to NDNH information.
3. The State Agency shall ensure that all personnel who will access NDNH information are advised of the confidentiality of the information, the safeguards required to protect the information, and the civil and criminal sanctions for non-compliance contained in the applicable Federal and State laws, including section 453(1)(2) of the Social Security Act. 42 U.S.C. §653(1)(2).
4. The State Agency shall establish security awareness training for personnel that includes information about their responsibility for proper use and protection of NDNH information, and the possible sanctions for misuse. All personnel shall receive security awareness training prior to accessing NDNH information and at least annually thereafter. All training

must address the Privacy Act and other Federal and State laws governing use and misuse of NDNH information.

5. The State Agency shall ensure that non-disclosure agreements are signed by all personnel with authorized access to the NDNH information in accordance with the terms of this agreement. The non-disclosure agreement shall outline the authorized purposes for which the NDNH information may be used and the civil and criminal penalties for unauthorized use.
6. The State Agency shall maintain records of authorized users with access to the NDNH information. The records shall contain a copy of each individual's signed non-disclosure agreement and proof of the individual's participation in security awareness training. The State Agency shall make such record available to OCSE within two working days of a request for such records.
7. The State Agency must have appropriate procedures in place to report security or privacy incidents, or suspected incidents involving NDNH information. Confirmed and suspected incidents in either electronic or physical form must be reported to the FPLS Information Systems Security Officer (ISSO) designated on this security addendum immediately upon discovery but in no case later than one hour after discovery.

B. Technical Security Requirements

1. The State Agency shall utilize and maintain technological (logical) access controls that limit access to NDNH information to only those users identified in the records maintained by the State Agency pursuant to Section A, above, who are authorized for such access based on their official duties.
2. The State Agency shall ensure that the NDNH information will not be subject to browsing where the information is not related to a specific client case.
3. The State Agency shall ensure the transmission and storage of all NDNH information provided pursuant to this agreement in a manner that safeguards the information and prohibits unauthorized access. All information transmitted between the State Agency and OCSE shall be via a secure and encrypted transmission link.
4. The State Agency shall prohibit NDNH information from being copied to and stored on mobile media (e.g. wireless handheld devices, laptops, CD-ROMs, USB connected devices) unless the mobile media is encrypted at the disk level.
5. The State Agency shall prohibit any remote access to the NDNH information unless such access occurs via a secure and encrypted transmission link and using two-factor authentication. If two-factor authentication cannot be provided, the State Agency shall request written approval by OCSE to implement compensating controls. The State Agency shall not allow any remote access to information unless OCSE has furnished written approval of the State Agency's request.

6. The State Agency shall implement and maintain a fully automated audit trail system. At a minimum, information collected through the audit trail system must associate each query transaction to its initiator and each transaction must be time and date stamped. Audit logs must capture the addition, modification, and/or deletion of information for all systems and networks handling NDNH information.
7. The State Agency shall log all computer-readable data extracts from any database holding NDNH information and verify each extract has been erased within 90 days. If the extract is still required to accomplish a purpose authorized pursuant to this agreement, the State Agency shall request permission, in writing, to keep the extract for a defined period of time and OCSE may grant such permission in writing.

C. Physical Security Requirements

1. The State Agency shall ensure that all NDNH information provided pursuant to this agreement is stored in an area that is physically safe from access by unauthorized personnel during duty hours as well as non-duty hours or when not in use.
2. The State Agency shall maintain a list of personnel authorized to access facilities and systems processing sensitive information, including NDNH information. Access to facilities and systems shall be controlled wherever sensitive information is processed.
3. The State Agency shall ensure that reports containing NDNH information will be labeled as sensitive. These reports are to be kept in a locked container when not in use and never transported off the agency premises. When no longer needed, these reports are to be destroyed by shredding or burning.
4. The State Agency shall ensure that locks and other protective measures are used at access points to prevent unauthorized access to computer and support areas containing NDNH information.

IV. SECURITY CERTIFICATION

A. Security Posture

The State Agency shall demonstrate its security posture before the comparison may be conducted. Demonstration of capability to comply with the security requirements outlined in this Security Addendum may be accomplished by submitting to OCSE, prior to commencement of the comparison and disclosure, the documentation listed in Section VI of the *Security Requirements for State Agencies Receiving Federal Parent Locator Service Information*, dated October 2008.

B. Certification of Compliance

The State Agency shall annually complete and submit a Security and Privacy Self Assessment containing the safeguards and security requirements governing information received from the NDNH. The Security and Privacy Self Assessment is accompanied by a Certification of Compliance page that must be signed. The Security and Privacy Self Assessment template shall be provided by OCSE.

C. Independent Security Assessment

Every three years, the State Agency shall submit to OCSE a copy of a recent independent security assessment. For additional guidance, refer to the *Security Requirements for State Agencies Receiving Federal Parent Locator Service Information* dated October 2008.

V. AUDIT REQUIREMENTS

OCSE has the right to audit the State Agency or make other provisions to ensure that the State Agency is maintaining adequate safeguards. Audits ensure that the security policies, practices and procedures required by OCSE are in place within the State Agency.